

Cyfrowy Polsat IR Newsletter

23 February – 1 March 2015

The press about us	Date	The press about TMT market in Poland
<p>Parkiet: It is too early to announce the end of the crisis in Poland</p> <p><i>by Magdalena Lemańska, Urszula Zielińska</i></p> <p>In the interview for 'Parkiet' daily, Tomasz Gillner-Gorywoda, CEO of Cyfrowy Polsat, talks about opportunities coming from the integration of the telecommunication operator and satellite TV platform, while emphasizing the benefits both for the customers of Polsat Group as well as shareholders of Cyfrowy Polsat. In his opinion in the current reality, Cyfrowy Polsat and Plus functioning separately would make no sense, therefore now the Group focuses on creating a completely new organization. The commercial success of smartDOM program – which had over 500 thousand customers at the turn of the year - confirms the correctness of the applied strategy.</p> <p>In 2015, the Company will particularly focus on the further integration and execution of the joint strategy. It wants to maintain the pace of selling its integrated offers and offer a broader and more attractive range of products and services. Gillner-Gorywoda estimates that in the forthcoming year the TV advertising market will continue to grow at an average single digit rate, and Polsat Group will grow at least in line with the anticipated market growth. He also emphasized that the situation on the mobile telephony market was slowly improving. The Internet access market, not yet saturated in Poland, creates the best development prospects, in particular in the mobile technology.</p>	<p>24.02</p>	<p>Puls Biznesu: Telecoms in a race to invest</p> <p><i>by mzat</i></p> <p>Following the victory in the tender for the frequency in 1800 MHz bandwidth and issuing of the frequency reservation decision by the Office for Electronic Communications (UKE), T-Mobile and P4, the operator of Play, were committed to build or upgrade 6,400 base stations until June this year. Both telecoms have already fulfilled their commitments – T-Mobile has 3,216 stations and Play as many as 4,475.</p> <p>In the opinion of Magdalena Gaj, President of UKE, this shows that operators are willing to exceed investment commitments to be able to provide the services on market terms.</p>

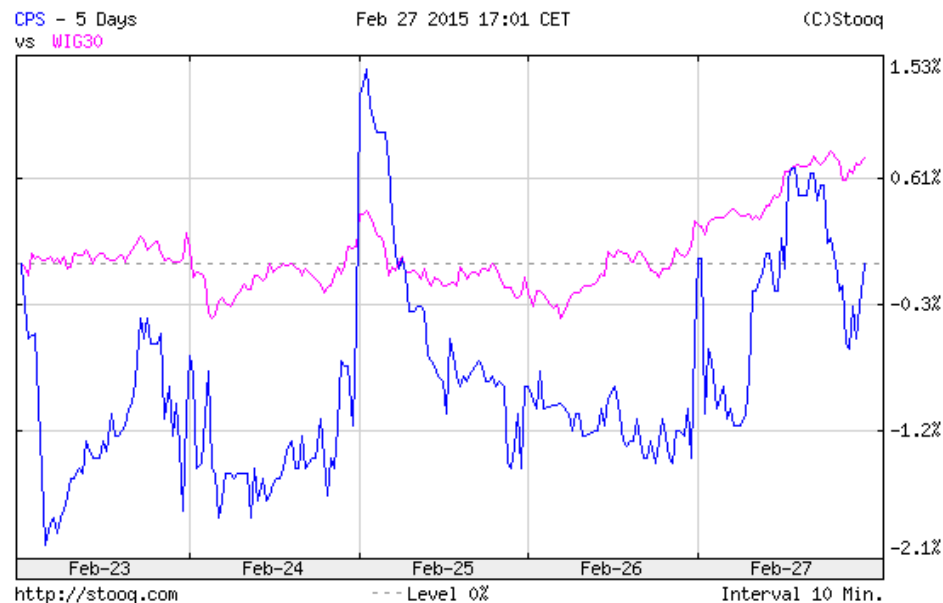
The press about us	Date	The press about TMT market in Poland
	25.02	<p>Puls Biznesu: Play network operator earns before anticipated expenses <i>by mzat</i></p> <p>Operating revenue of P4 in 2014 amounted to PLN 4.38bn (up by 18% vs. 2013) and EBITDA exceeded PLN 1bn. Based on the data published by P4, at the end of 2014 the operator had 12.3m active SIM cards, out of which 47.3% were contract subscribers. This means YoY growth by 14% and the share in the Polish mobile telecommunication market at the level of 21.3% (2.4% more than a year before).</p> <p>According to P4, over 1 million of its customers use the Internet access in LTE technology.</p> <p>Jorgen Bang-Jensen, P4’s CEO, estimates that 2015 should be quite good and will generate ca. 2% growth of the total sector’s value, mainly thanks to the increased data consumption.</p> <p>P4 is participating in the auction for 800 and 2600 MHz spectrum. Stock market analysts estimate that the telecom may pay even as much as PLN 750m for one block in the 800 MHz bandwidth.</p>
	26.02	<p>Rzeczpospolita: Digital Poland lagging behind the European Union <i>by Magdalena Lemańska</i></p> <p>‘Rzeczpospolita’ daily stated that the European Commission had presented a new digital economy and digital society indicator for every Member State. It includes, among others, the availability, price and Internet connection speed, as well as the ability to use the Internet and the degree to which the possibilities offered by the Internet are utilized.</p> <p>In the ranking created based on this indicator, Poland was six to last. As regards access to fast mobile Internet, Poland is above the EU average, whereas it comes off badly in terms of the number of Internet users (according to the EC, 63% of Poles use the Internet). The use of video on demand in Poland is also above the EU average – 41% of households with TV sets have access to it.</p>

The press about us	Date	The press about TMT market in Poland
	26.02	<p>Dziennik Gazeta Prawna: It is time for TV revolution <i>by Piotr Dziubak</i></p> <p>According to ‘DGP’ daily, ZPR Group and TV Puls are planning to jointly sell TV airtime. The establishment of their own agency would enable them to achieve better prices and make them independent from stronger players on the market. In the opinion of the CEO of MEC media house, ZPR and Puls would already have a strong market position at the level of ca. 9% (TVN advertising office holds ca. 40% market share, and Polsat TV advertising office – ca. 30% market share). Puls is one of the biggest beneficiaries of the digitization of terrestrial television in Poland, thanks to which it acquired national coverage for its TV channels - Puls and Puls2, and over 5.5% audience share. Puls is increasing expenses on programming and considers participation in the contest for a new spot on the new multiplex.</p> <p>The shape of the TV broadcasters market, in particular the balance of power on the advertising market, will be affected mostly by the results of the on-going talks regarding the sale of TVN, which are to be finalized within the next 2 weeks.</p>
	27.02	<p>Rzeczpospolita: Play one million behind T-Mobile <i>by Urszula Zielińska</i></p> <p>According to the data published by T-Mobile, in 2014 the telecom fared worse than its competitors. Its revenue decreased by 6%, to PLN 6.23bn, whereas P4, the operator of Play, informed about growth of 18%, and the revenue of the mobile segment of Orange decreased by 1.9% YoY. Both business and individual customer segments contributed to the decrease of T-Mobile’s revenues (both recorded 9% decrease). 226 thousand users resigned from T-Mobile services in 2014, due to which the contract customer base of the telecom decreased to ca. 6.8m, making it 3rd on the market. Play network, fourth biggest telecom, had 1 million contract customers less.</p>

The press about us	Date	The press about TMT market in Poland
	27.02	<p>Orange Polska, which increased its contract customer base by 458 thousand contracts (mainly thanks to the sale of the mobile Internet services) was second.</p> <p>Mobile Internet is the hope of the sector to return to the path of revenue growth. 3G and LTE network coverage is growing and the rate of growth of the number of Internet users in smartphones is increasing. According to 'Rzeczpospolita' daily, in 2014 Orange acquired 777 thousand users; 95-96% of activations with a handset in Play were sold with mobile Internet and LTE tariffs in T-Mobile had 1 million users last year.</p>

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Trade value (PLN ths.)
23-02-2015	24.09	23.46	23.80	0.08%	4 036
24-02-2015	23.99	23.60	23.97	0.71%	3 447
25-02-2015	24.50	23.66	23.85	-0.50%	12 998
26-02-2015	23.95	23.70	23.94	0.38%	4 783
27-02-2015	24.29	23.76	24.08	0.58%	6 665



Investor's calendar

February 18 – March 4, 2015	Closed period prior to the publication of results for 2014
March 4, 2015	<p>Publication of results for 2014</p> <p>Schedule of publication:</p> <p>7:00 a.m. Publication of the annual report in ESPI (WSE publishing system)</p> <p>8:00 a.m. Publication of the annual report on our website</p> <p>www. cyfrowypolsat.pl/investor-relations:</p> <p>10:00 a.m. Meeting with investors and analysts (Radisson Blu Centrum Hotel, conference room: Polonia 3, 1st floor, Grzybowska 24, Warsaw</p> <p>12:00 p.m. Meeting with journalists</p> <p>4:00 p.m. (CET) Conference call with investors and analysts</p> <p>Conference call details:</p> <p>Date: March 4, 2015</p> <p>Time: 4:00 p.m. (Warsaw), 3:00 p.m. (London), 10:00 a.m. (New York)</p> <p>Phone numbers: +44 203 043 2440 (international); 22 295 35 28 (Poland)</p> <p>Conference ID: 108330#</p> <p>In order to view our investors' presentation during the teleconference via a dedicated platform please click on this link and then log in as a participant by providing your name.</p> <p>https://cyfrowypolsat.anywhereconference.com/?UserAudioMode=DATA&Name=&Conference=135292460&PIN=108330</p>